

Anchorage Music & Dance Center, Inc.

In 2005, Huffman Music Center was in a 3000 square foot retail space, and most of its income was from music retail sales, followed by band and orchestra rental commissions and studio rental fees. Although the business was doing all right, owners Vince and Eileen Spezialy decided that they could bring in more income by owning and renting their own instruments. It was at this point that they approached Alaska Growth Capital, in Anchorage, and obtained a U.S. Small Business Administration loan for \$100,000 to purchase band and orchestra instruments. Huffman Music Center was able to grow its rental instrument income to more than four times that of renting national companies' instruments. This wonderful increase in cash flow was met with a declining economy and large box stores entering the local market which resulted in a drop in sales. Huffman Music Center stopped renting studios and hired music teachers, allowing Vince to create a music education program that included more and different types of private lessons and group classes than were available when the studios were rented out. As the education program grew, teachers were hired and lesson income increased.

In 2007 many instrument manufacturers began to sell beginner instruments for less money than it would cost to rent an instrument for the entire school year, resulting in a decrease of rental income for Huffman Music. Once again the willingness of the Spezialy's to evolve their business saved the day! The music education program began to make up for the decreasing rental instrument income. By December 2008 Huffman Music Center employed 10 part time teachers and had over 200 students taking private and group music lessons.

With a quickly approaching lease expiration in the spring of 2009, Vince and Eileen evaluated their business and decided to expand the music education program and drop retail all together. They continued their rentals however, as it complemented the education component while still remaining profitable.

In August 2009 the business moved to Vanguard Drive in Anchorage, an expansive space for music education with over 2500 square feet of private and group music studios as well as enough room for multiple dance studios. Again the evolution and vision of the Spezialy's was realized by the construction of a new state-of-the art dance studio. In September 2009 the business name changed to, "Anchorage Music & Dance Center" and a new web site was launched. The music and dance program has grown to 300 students, and the business employs 13 talented part-time teachers and two office workers.

The Spezialy's income remained steady throughout the threats of box stores and a slowing economy due in large part to their ability and willingness to change and adapt. "Obtaining the SBA loan in 2005, not only increased the rental instrument income as planned, it also allowed this business to survive and thrive in a challenging economy. We look forward to working with the SBA in the future to purchase our own building so we can continue to expand our music and dance education programs!" said Vince Spezialy.

There is truly nothing better than figuring out the art of making money, or in this case the money in making art!